

## Accounting in Wisconsin

Traditional	Transcripted (Articulated)	“AP” College Accounting
<p>Benefits:</p> <ul style="list-style-type: none"> <li>• Those students having taken HS accounting are definitely more successful in College Accounting</li> <li>• Allows for great understanding for the “bookkeeping” aspects of accounting, the entry of the information is better understood</li> <li>• Level of success for low academic students is high</li> <li>• “Easy” for a new teacher to walk in to and teach</li> <li>• Great at “weeding out” students that are not cut out for Accounting</li> <li>• Textbooks are cheaper</li> <li>• Sometimes the class activities are more interactive (simulations, etc.)</li> <li>• Flexibility of curriculum allows teachers to ebb/flow at their own pace; less accountability for that “next level”</li> <li>• Younger students (potentially even at the 9<sup>th</sup> grade level) can be successful here</li> </ul> <p>Obstacles:</p> <ul style="list-style-type: none"> <li>• No necessity to “maintain” the</li> </ul>	<p>Benefits:</p> <ul style="list-style-type: none"> <li>• Those students having taken HS accounting are definitely more successful in College Accounting</li> <li>• Allows student to truly LEARN knowledge and depth of Accounting concepts</li> <li>• Students are challenged with the curriculum and pace (in some cases)</li> <li>• Saves students money and time at the technical college level (both in a business field and/or as elective credits)</li> <li>• Students are introduced to “college” level coursework</li> <li>• Can attract students via Open Enrollment and distance coursework to offer higher level coursework</li> <li>• Offers reasons to argue smaller class sizes and the need to “keep” the course in lieu of declining enrollment</li> <li>• Aligned to post-secondary outcomes</li> <li>• Students are more likely to start a program directly out of high school</li> </ul>	<p>Benefits:</p> <ul style="list-style-type: none"> <li>• Those students having taken HS accounting are definitely more successful in College Accounting</li> <li>• Allows student to truly LEARN knowledge and depth of Accounting concepts</li> <li>• Students are challenged with the curriculum and pace</li> <li>• Can save students money and time at the college level if it were accepted (both in a business field and/or as elective credits)</li> <li>• Students are immersed in “college” level coursework</li> <li>• Can attract students via Open Enrollment and distance coursework to offer higher level coursework</li> <li>• Offers reasons to argue smaller class sizes and the need to “keep” the course in lieu of declining enrollment</li> <li>• Learning/Teaching “consortium” of secondary and post-secondary teachers will provide support</li> <li>• Students see what true accounting</li> </ul>

<p>course in light of declining enrollments</p> <ul style="list-style-type: none"> <li>• Students do not truly understand Accounting as a career</li> <li>• Disconnect between Accounting and how it plays into the business world</li> <li>• Can move too slowly to keep kids challenged</li> <li>• It is “traditional” ...it hasn’t really changed in how it is instructed, books not really changing, etc.</li> </ul>	<p>and “use” the credits</p> <ul style="list-style-type: none"> <li>• Curriculum is a great balance between traditional and AP/College Accounting</li> <li>• Transferability of curriculum to districts is easier</li> <li>• Connections with post-secondary partners/instructors is beneficial to teachers and students (in some cases this can take the form of professional development and mentors)</li> <li>• Can allow teachers using PDP for licensure renewal to use PD in Accounting from Tech College</li> </ul> <p>Obstacles:</p> <ul style="list-style-type: none"> <li>• Does this transfer or allow students to earn credit at a university? Transferability to the next level is not guaranteed</li> <li>• Must use the technical college textbook and assessments (in some cases)</li> <li>• Transcripts with poor grades can continue to follow the student</li> <li>• Informing parents/staff/admin on what it means to have transcribed credit and how to follow through</li> <li>• Availability to every student is questionable (sequence of courses</li> </ul>	<p>really is (not bookkeeping)—more analysis, etc.</p> <ul style="list-style-type: none"> <li>• Additional materials and activities can make the curriculum “come alive” and provide depth</li> <li>• If AP level is achieved, can allow business departments to pull on the “AP” population</li> </ul> <p>Obstacles:</p> <ul style="list-style-type: none"> <li>• May have to retake the course if the college does not recognize this course for “advanced standing”</li> <li>• Textbooks are more expensive</li> <li>• Are they truly ready for the “Intermediate” Accounting class later?</li> <li>• Requires additional professional development on the part of the teacher</li> <li>• College curriculum will need additional activities and supplemental materials to make it usable in the HS classroom</li> <li>• AP Pilot curriculum does not necessarily match Wisconsin college accounting coursework</li> </ul>
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	<p>offered at the HS level—localized decision)</p> <ul style="list-style-type: none"> <li>• Students need to be fully informed about needing to follow their own transcripts etc. (FERPA)</li> <li>• Must use the technical college grading scale (in some cases) or may need to grade based on two different scales</li> <li>• Conversations are different at every technical college</li> </ul>	
<p><b>Objectives/Outcomes:</b></p> <ul style="list-style-type: none"> <li>• How the World of Accounting Relates to You</li> <li>• What Role Does Accounting Play in the Business Community</li> <li>• Business Transactions and the Accounting Equation <ul style="list-style-type: none"> <li>○ Affect Assets, Liabilities, and Owner's Equity</li> <li>○ Affect Revenue, Expenses, and Withdrawals</li> <li>○ Analyzing Transactions into Debit and Credit Parts</li> </ul> </li> <li>• Recording Transactions in a General Journal <ul style="list-style-type: none"> <li>○ Sales and Cash Receipts</li> <li>○ Purchases and Cash Payments</li> </ul> </li> <li>• Posting Journal Entries to General Ledger Accounts</li> <li>• End of Accounting Period Activities for a Sole Proprietorship-Service Business <ul style="list-style-type: none"> <li>○ Work Sheet</li> <li>○ Financial Statements</li> <li>○ Recording Adjusting and Closing</li> </ul> </li> </ul>	<p><b>Objectives/Outcomes:</b></p> <p><b>Examine the basics of accounting and business</b></p> <ul style="list-style-type: none"> <li>• Examine the role of accounting in various types of businesses</li> <li>• Discuss the role of ethics in accounting and business</li> <li>• Explain generally accepted accounting principles</li> <li>• Demonstrate the accounting equation</li> <li>• Examine types of financial statements</li> <li>• Define the elements of change in equity</li> </ul> <p><b>Analyze transactions</b></p> <ul style="list-style-type: none"> <li>• Examine the use of accounts to record transactions</li> <li>• Explain the double-entry accounting system</li> <li>• Demonstrate posting journal entries to accounts</li> <li>• Differentiate between the classification of balance sheet and income statement general ledger accounts</li> <li>• Explain trial balance</li> </ul>	<p><b>Objectives/Outcomes:</b></p> <p><b>Develop an understanding and working knowledge of financial statements:</b></p> <ul style="list-style-type: none"> <li>• Describe the information provided in each financial statement and how the statements articulate with each other</li> <li>• Identify the classifications on a balance sheet and explain their relationship to each other (assets, liabilities, and equity)</li> <li>• Calculate current ratio and debt-to-equity ratio</li> <li>• Identify the classifications on an income statement and explain their relationship to each other (revenue, expenses, gains, losses)</li> <li>• Calculate return on sales (net profit margin), earnings per share (EPS), and DuPont ROI (ROA)</li> <li>• Identify and explain the three phases of the management cycle</li> <li>• Identify and explain the four business processes</li> <li>• Explain how internal control procedures are used to safeguard assets</li> <li>• Prepare bank reconciliation</li> </ul> <p><b>Evaluate the operating results of a company:</b></p> <ul style="list-style-type: none"> <li>• Identify, explain, and use high-low analysis to</li> </ul>

<p>Entries</p> <ul style="list-style-type: none"> <li>• Cash Control and Banking Activities <ul style="list-style-type: none"> <li>○ Accounting for a Payroll System</li> <li>○ Preparing Payroll Records</li> <li>○ Payroll Liabilities and Tax Records</li> </ul> </li> <li>• Journalizing Using Special Journals <ul style="list-style-type: none"> <li>○ Sales and Cash Receipts</li> <li>○ Purchases and Cash Payments</li> </ul> </li> <li>• Posting To General and Subsidiary Ledgers</li> <li>• Completing the Accounting Cycle for a Merchandising Corporation <ul style="list-style-type: none"> <li>○ Distributing Dividends</li> <li>○ Adjusting and Closing Entries with the Ten-Column Work Sheet</li> <li>○ Financial Statements for a Corporation</li> </ul> </li> <li>• Accounting for Special Procedures <ul style="list-style-type: none"> <li>○ Cash Funds</li> <li>○ Plant Assets and Depreciation</li> <li>○ Uncollectible Accounts Receivable</li> <li>○ Inventories</li> <li>○ Notes Payable and Receivable</li> </ul> </li> <li>• Supplemental Accounting Topics <ul style="list-style-type: none"> <li>○ Accounting for Accrued Revenue and Expenses</li> <li>○ Accounting for Partnerships</li> <li>○ Financial Statements for a Partnership</li> <li>○ Ethics in Accounting</li> <li>○ Recording International and Internet Sales</li> </ul> </li> </ul>	<p><b>Examine the adjusting process</b></p> <ul style="list-style-type: none"> <li>• Explain the adjusting process</li> <li>• Explain the matching concept</li> <li>• Explain the content of an adjusting entry</li> <li>• Demonstrate how to record adjusting entries</li> <li>• Explain the adjusted trial balance</li> </ul> <p><b>Analyze the accounting cycle</b></p> <ul style="list-style-type: none"> <li>• Describe the flow of accounting information</li> <li>• Examine financial statements</li> <li>• Explain closing entries</li> <li>• Illustrate the accounting cycle</li> <li>• Explain fiscal year</li> <li>• Examine end-of-period worksheet</li> </ul> <p><b>Examine accounting systems with the use of special journals</b></p> <ul style="list-style-type: none"> <li>• Explain basic accounting systems</li> <li>• Examine manual accounting systems</li> <li>• Explain controlling accounts and related subsidiary ledgers</li> <li>• Produce accounting records through the use of special journals</li> <li>• Examine computerized accounting systems</li> <li>• Discuss the role of accounting in e-commerce</li> </ul> <p><b>Explore accounting for merchandising businesses</b></p> <ul style="list-style-type: none"> <li>• Review merchandising businesses</li> <li>• Examine financial statements for a merchandising business</li> <li>• Explain types of merchandising transactions using periodic/perpetual inventory systems</li> <li>• Explain the adjusting and closing process for merchandising transactions using periodic/perpetual inventory systems</li> <li>• Explore manual and computerized accounting systems for merchandisers</li> <li>• Compare and contrast the periodic and perpetual inventory systems</li> </ul> <p><b>Examine accounting for cash</b></p>	<p>determine variable costs, fixed costs, and mixed costs</p> <ul style="list-style-type: none"> <li>• Calculate break-even point and perform cost-volume-profit (CVP) analysis</li> <li>• Determine selling price using sensitivity analysis and CVP analysis</li> <li>• Identify and explain product costs: direct/indirect materials, direct/indirect labor, manufacturing overhead</li> <li>• Analyze a make-or-buy decision and an accept-or-reject decision</li> <li>• Calculate inventory turnover, accounts receivable turnover, and accounts payable turnover (in days)</li> <li>• Calculate the quick ratio and debt ratio</li> </ul> <p><b>Complete the steps in the accounting cycle in order to prepare the financial statements:</b></p> <ul style="list-style-type: none"> <li>• Describe the purpose of the accounting system, journals, and ledgers</li> <li>• Analyze and describe how business transactions impact the accounting equation</li> <li>• Apply the double-entry system of accounting to record business transactions and prepare a trial balance</li> <li>• Explain the need for and record adjusting entries</li> <li>• Explain the need for and record closing entries</li> <li>• Complete the steps in the accounting cycle and prepare financial statements</li> </ul> <p><b>Apply generally accepted accounting principles to the purchasing (inventory) process for merchandising companies:</b></p> <ul style="list-style-type: none"> <li>• Describe the differences between the periodic and perpetual inventory systems and record business transactions using both systems</li> <li>• Describe the difference between the gross price method and the net price method and record business transactions using both methods</li> <li>• Determine cash paid for inventory and operating expenses</li> </ul> <p><b>Apply generally accepted accounting principles to the</b></p>
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	<ul style="list-style-type: none"> <li>• Examine internal control</li> <li>• Explain cash controls over receipts and payments</li> <li>• Examine bank accounts</li> <li>• Explain bank reconciliation</li> <li>• Discuss special-purpose cash funds</li> <li>• Explain the components and analysis of financial statement reporting of cash</li> </ul> <p><b>Explore receivables</b></p> <ul style="list-style-type: none"> <li>• Classify types of receivables</li> <li>• Define uncollectable accounts</li> <li>• Discuss direct write-off method for uncollectable accounts</li> <li>• Compare and contrast allowance methods for uncollectable accounts</li> <li>• Compare direct write-off and allowance methods</li> <li>• Explain notes receivables</li> <li>• Demonstrate how to report receivables on the balance sheet</li> <li>• Explain analysis calculations related to receivables</li> </ul> <p><b>Explore current liabilities and payroll</b></p> <ul style="list-style-type: none"> <li>• Examine current liabilities for business operations, financing, and payroll</li> <li>• Examine payroll and payroll taxes</li> <li>• Examine payroll forms</li> <li>• Examine accounting systems for payroll and payroll taxes</li> <li>• Examine employees' fringe benefits</li> <li>• Examine contingent liabilities</li> <li>• Demonstrate analysis calculations related to current assets and current liabilities</li> </ul>	<p><b>sales and collection process:</b></p> <ul style="list-style-type: none"> <li>• Describe the criteria used to determine revenue recognition and record revenue-related transactions</li> <li>• Explain the accounting methods used to determine the value of accounts receivable to be reported on the balance sheet and describe the effect on the income statement</li> <li>• Record transactions for accounts receivable, including uncollectible accounts, write-offs, and recoveries</li> </ul> <p><b>Apply generally accepted accounting principles to the inventory and cost of goods sold:</b></p> <ul style="list-style-type: none"> <li>• Identify and describe the cost flow assumptions for inventory and explain the impact on the balance sheet and income statement</li> <li>• Calculate cost of goods sold and ending inventory using LIFO and FIFO inventory costing methods</li> <li>• Calculate and record direct materials and direct labor price transactions</li> </ul> <p><b>Apply time value of money concepts to make capital investments:</b></p> <ul style="list-style-type: none"> <li>• Use time value of money concepts to solve present value and future value problems</li> <li>• Use net present value concepts to make investment decisions</li> </ul> <p><b>Apply generally accepted accounting principles to fixed assets:</b></p> <ul style="list-style-type: none"> <li>• Explain the purpose and methods of cost allocation</li> <li>• Calculate and record depreciation, depletion, and amortization and explain the impact on the financial statements</li> <li>• Record the sale and disposal of fixed assets and the impact on the financial statements</li> </ul> <p><b>Apply generally accepted accounting principles to long-term liabilities and equity transactions:</b></p> <ul style="list-style-type: none"> <li>• Compare and contrast debt and equity financing</li> <li>• Calculate TIE (times-interest-earned ratio) and</li> </ul>
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		<p>ROE (Return on Owner's Equity)</p> <ul style="list-style-type: none"> <li>• Identify and describe the different classes of stock and explain the rights afforded each class of stock</li> <li>• Calculate Return on Common Equity</li> <li>• Describe the difference between cash dividends, stock dividends, and stock splits, and the impact on the financial statements</li> <li>• Record stock transactions: contributions by owners, corporate distributions (dividends), and the reacquisition of company stock</li> <li>• Calculate earnings per share (EPS)</li> <li>• Allocate partner profits and losses</li> <li>• Compare, contrast, and calculate the carrying value, interest expense, and cash payment for note payable transactions (periodic payment, lump-sum, and periodic/lump-sum)</li> <li>• Record transactions for notes payable: issuance and interest expense</li> <li>• Record transactions and interest expense for bonds issued at face value, a premium, and a discount using the straight-line method and effective-interest method</li> </ul> <p><b>Prepare a statement of cash flow using the direct method</b></p> <ul style="list-style-type: none"> <li>• Identify and explain the three sections of a statement of cash flows</li> <li>• Prepare the operating activities, investing activities, and financing activities section of a statement of cash flows using the direct method</li> </ul>
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